Blumenauer Introduces Bill to Provide Homeowners with Information about the Hidden Cost of Housing

Washington, DC – Congressman Earl Blumenauer (D-Ore), Chair of the <u>Livable Communities</u>
Task Force
, today

introduced legislation to provide homebuyers with information the actual cost of their homes, which includes the cost of transportation. The average family spends about half of its income on transportation and housing, but transportation costs can vary based on a home's location.

While housing affordability traditionally has been measured by the extent to which a household can cover the purchase price of a home, Blumenauer has introduced the Transportation and Housing Affordability Transparency Act, or "THAT Act," to create a transportation affordability index to provide information about the costs associated with the location of a home.

"When going through the experience of looking to buy or rent a home, at first the price seems pretty straight forward. Yet there is a hidden cost that can sneak up on us: how much it costs to get from the driveway to work, school, the store and back," said

Congressman Blumenauer

. "Commuting costs can be much less in areas where you can take a bus, hop on a metro, or walk. People should be able to choose where they live and how they get around, and more information about these costs will help families budget and plan for the future. This information will also make it easier for policy-makers to provide the housing and transportation choices that people want and need.

Background

The THAT Act requires the Secretary of Housing and Urban Development (HUD) to work with the Department of Transportation and other stakeholders to develop a transportation affordability index that measures the transportation costs associated with the location of a home. The bill requires HUD to take into consideration a number of factors that determine transportation costs, including the location and frequency of transit service, the average vehicle miles travelled in the area, and the availability of services such as grocery stores, bike lanes, community centers, and schools.

HUD will be required to share this information with the general public, realtors, regional and local housing and planning agencies, states, and entities that engage in transportation demand management programs. The bill also requires HUD, where feasible, to incorporate transportation costs into its housing programs and work with other federal agencies, states, and local governments to incorporate transportation costs into their housing programs.

The information made available by this legislation will ensure transparency in housing and transportation costs for consumers, housing providers, local and regional planning agencies, and other stakeholders. It will also enable HUD, where appropriate, to incorporate transportation costs into its affordability measures and standards.

The bill is supported by a number of organizations, including the National Association of Realtors, Smart Growth America, the Low Income Housing Coalition, The American Planning Association, the Center for Neighborhood Technology, the American Institute of Architects, the Association for Commuter Transport, U.S. Green Building Council, and Reconnecting America.